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UNITED STATES DISTRICT COURT
NORTHERN DISTRICT OF CALIFORNIA
SAN FRANCISCO DIVISION

CATHERINE GELLIS, individually and on behalf of all others similarly situated,

Plaintiff,

v.

VERIZON COMMUNICATIONS, INC., a Delaware corporation; VERIZON WIRELESS, an unincorporated association; CELLCO PARTNERSHIP, an unincorporated association; and DOES 1-100, inclusive,

Defendants.

Case No. C 07-03679 JSW

CLASS ACTION

**FIRST AMENDED COMPLAINT
FOR INJUNCTIVE AND
DECLARATORY RELIEF,
RESTITUTION, AND MONEY
DAMAGES**

**(1) BREACH OF CONTRACT
BASED ON VIOLATION OF CIVIL
CODE §1671(d)
(2) DECEPTIVE CONSUMER
PRACTICES, CIVIL CODE §1770
(3) UNFAIR COMPETITION, BUS. &
PROF. CODE §17200
(4) UNJUST ENRICHMENT
(5) DECLARATORY RELIEF**

1 Plaintiff brings this suit on behalf of herself and all others similarly situated, and
2 makes the following allegations on information and belief, except as to allegations
3 specifically pertaining to plaintiff, which are based on her personal knowledge:
4

5 **INTRODUCTION**

6 1. Plaintiffs bring this class action to stop and redress Verizon Wireless's
7 practice of imposing unlawful liquidated damages penalties – in the form of a minimum \$5
8 late fee – on its California personal wireless telephone customers. Verizon Wireless's
9 collection of such penalties increases its profits at the direct expense of California
10 consumers, who have no power to negotiate such terms. The late fee is unlawful under
11 Civil Code section 1671 because it is neither "impracticable" nor "extremely difficult" to
12 ascertain the actual damage Verizon Wireless suffers as the result of late payments of this
13 type, and the fee does not reflect any reasonable effort to estimate such damage. Imposition
14 of such late fees is, likewise, an unfair business practice prohibited by Business and
15 Professions Code sections 17200 *et seq.*

16 2. Verizon Wireless's unlawful practices have injured thousands of consumers
17 throughout California, and continue to this day. Plaintiff therefore asks the Court to certify
18 her claims as a class action and to award relief on behalf of all California consumers of
19 Verizon Wireless's services who paid one or more \$5 minimum late fees within the
20 statutory period. On behalf of herself and the class, plaintiff seeks: (a) a judicial
21 declaration that Verizon Wireless's late fee provision is an unlawful penalty clause which is
22 null and void under California law; (b) restitution and/or disgorgement of all such penalties
23 which have been collected by Verizon Wireless or, in the alternative, the portion thereof that
24 exceeds Verizon Wireless's actual damages caused by late payment of its invoices; and (c)
25 an order enjoining Verizon Wireless from including such minimum penalties in future
26 contracts and/or enforcing the late fee provision in the contracts it currently has.

27 **THE PARTIES**

28 3. Plaintiff Catherine Gellis is an individual who resides in Marin County,

1 California. She is and has, for more than four years, been a Verizon Wireless customer and
2 she paid the subject \$5 minimum late fee on at least one occasion.

3 4 Defendant Verizon Communications Inc. has been dismissed without
4 prejudice.

5 5. Defendant Verizon Wireless is an unincorporated association formed about
6 April of 2000 in connection with the combination of the U.S. wireless operations and
7 interests of former defendant Verizon Communications Inc. and Vodafone Group PLC.

8 6. Defendant Cellco Partnership is a Delaware entity which does business in
9 California as Verizon Wireless.

10 7. Unless otherwise so specified, all defendants are hereinafter referred to
11 collectively as "Verizon Wireless."

12 8. The true names and capacities, whether individual, corporate, associate,
13 governmental, or otherwise, of defendants DOES 1 through 100 are unknown to plaintiff at
14 this time. Plaintiff therefore sues said defendants by such fictitious names. When the true
15 names and capacities of said defendants have been ascertained, plaintiff will amend this
16 complaint accordingly. Plaintiff is informed and believes, and on that basis alleges, that
17 each defendant designated herein, including each DOE, is responsible, willfully,
18 negligently, or in some other actionable manner, for the events and happenings, and
19 violations of California law, hereinafter alleged, and that they caused plaintiff and the class
20 members harm and damages.

21 9. Plaintiff alleges on information and belief that at all times relevant hereto
22 each of the defendants was the agent, servant, employee, joint-venturer, partner, successor-
23 in-interest, and/or co-conspirator of each other defendant and was at all said times acting in
24 the full course and scope of said agency, service, employment, joint venture, concert of
25 action, partnership, successorship, or conspiracy.

26 **JURISDICTION AND VENUE**

27 10. This Court has jurisdiction pursuant to the provisions of 28 U.S.C. § 1332(d)
28 *et seq* (the Class Action Fairness Act).

11. Venue is proper in this Court because defendants' liability to plaintiff arose within the jurisdictional region of this Court, where Verizon Wireless operates numerous outlets and does substantial business.

FACTUAL ALLEGATIONS

12. On or about September 21, 2006, plaintiff Catherine Gellis entered into a new two-year agreement with Verizon Wireless for mobile phone and data service for her personal and household use.

13. On that date, and in connection with that transaction, plaintiff signed a short form agreement/acknowledgement/receipt document. It is attached hereto and incorporated herein as **Exhibit A**.¹ It reads in relevant part:

I AGREE TO THE CURRENT VERIZON WIRELESS CUSTOMER AGREEMENT (CA), INCLUDING THE CALLING PLAN ... AND OTHER TERMS AND CONDITIONS FOR SERVICES AND SELECTED FEATURES I HAVE AGREED TO PURCHASE AS REFLECTED ON THE RECEIPT, AND WHICH HAVE BEEN PRESENTED TO ME BY THE SALES REP. AND WHICH I HAD THE OPPORTUNITY TO REVIEW. I UNDERSTAND THAT I AM AGREEING TO A \$175 EARLY TERMINATION FEE ... AND OTHER IMPORTANT TERMS IN THE CA.

Ex. A, , pg. 2.

14. The short form agreement document thus incorporated by reference a long form *Verizon Customer Agreement Terms and Conditions* document (the "CA"), which plaintiff did not sign. A copy of the referenced CA is attached hereto and incorporated herein by reference as **Exhibit B**.² This dense nine page consumer adhesion contract includes the following language and provisions:

///

¹ The documents attached as Exhibits A and B were provided to plaintiff by Verizon Wireless in response to the notice of violations and request for cure that she sent to Verizon Wireless pursuant to the Consumers Legal Remedies Act, Civil Code §§1750 et seq. ("CLRA"). The Verizon Wireless cover letter, which enclosed these two documents, is attached hereto and incorporated herein as **Exhibit C**.

² See Footnote 1.

1 ***Your Calling Plans***

2 **YOUR CALLING PLANS BECOME PART OF THIS AGREEMENT.**

3 The prices you pay depend in part on how long ... you're agreeing in advance
4 to do business with us. Calling plans describe these prices and the your
minimum term.

5 Ex. B, CA-P.1

6 ***Charges And Fees We Set***

7 You agree to pay all access, usage, and other charges and fees that we bill you
8 or that the user of your wireless phone accepted.

9 Id., CA-P.4

10 ***Roaming and Roaming Charges***

11 You're "roaming" whenever you make or receive a call using a transmission
12 site outside your home rate and coverage area ... There may be extra charges
... and higher rates for roaming calls, depending on your calling plan.

13 Ibid.

14 ***Your Bill***

15 Your bill is our notice to you of your fees, charges and other important
16 information. ... We bill usage charges after calls are made or received. We
bill access fees and some other charges in advance.

17 Ibid.

18 ***Payments, Deposits Credit Cards, And Checks***

19 Payment is due in full as stated on your bill. IF WE DON'T RECEIVE
20 PAYMENT IN FULL WHEN DUE, WE MAY, TO THE EXTENT
21 PERMITTED BY LAW OF THE STATE OF THE BILLING ADDRESS
22 WE HAVE ON FILE FOR YOU AT THE TIME, CHARGE A LATE FEE
OF UP TO 1.5 PERCENT A MONTH (18 PERCENT ANNUALLY), OR A
23 FLAT \$5 A MONTH, WHICHEVER IS GREATER, ON UNPAID
BALANCES. ... WE MAY, TO THE EXTENT PERMITTED BY THE
24 LAW OF THE STATE OF THE BILLING ADDRESS WE HAVE ON
FILE FOR YOU AT THE TIME YOUR ACCOUNT IS FIRST SENT TO A
25 COLLECTION AGENCY, ALSO CHARGE FOR ANY COLLECTION
26 AGENCY FEES BILLED TO US FOR COLLECTING FROM YOU.

27 Id., CA-P.5

Our Right To Limit Or End Service Or This Agreement

WE CAN, WITHOUT NOTICE, LIMIT, SUSPEND, OR END YOUR SERVICE OR ANY AGREEMENT WITH YOU FOR ... GOOD CAUSE, including, but not limited to: (a) paying late more than once in any 12 months...

Id., CA-P.6

15. Plaintiff's calling plan, as modified, specified that plaintiff would pay \$124.99 in "monthly access charges" for two years in exchange for a package of mobile phone and data access services, with additional usage billed at a discounted rate.

16. Verizon Wireless encourages consumers to enter into these standard 1 to 2 year "post paid" contracts by offering them incentives and substantially cheaper rates as compared to "pre-paid" contracts, which do not involve any long term commitment. It locks them into these agreements by contracting for substantial early termination fees in the event they wish to break the contract.

17. In or about mid-December, 2006, plaintiff received a bill dated 12/13/06 for \$131.59, consisting of: (a) \$124.99 for "monthly access" from 12/14/06 to 1/12/07, (b) a 30 cent additional data usage charge for the prior period, and (c) \$6.60 in additional fees, charges, and taxes thereon. This bill had a due date of 1/8/07. Plaintiff neglected to pay this bill by the 1/8/07 stated due date.

18. In or about mid-January, 2007, plaintiff received a bill dated 1/13/07 for \$268.49, consisting of (a) \$124.99 for monthly access from 1/13/07 to 2/12/07, (b) a 60 cent additional data usage charge for the prior period, (c) \$6.31 in additional fees, charges, and taxes thereon, (d) the balance forward on her prior \$131.59 bill, and (e) a \$5 late fee thereon.

19. This bill had a due date of "past due." On or before January 17, 2007, plaintiff paid the entire amount due in full, including the balance forward and the \$5 late charge.

20. Plaintiff was thus charged 3.8 % of the balance forward for paying it 9 days late. This calculates to an interest rate of greater than 11% per month, or an annual

1 percentage rate (APR) of about 154%.

2 21. Plaintiff never received any notice or other communication relating to her
3 failure to timely pay the 12/13/06 bill other than the demand that she pay the \$5 late fee as
4 part of her subsequent bill.

5 22. Plaintiff alleges, on information and belief, that her late payment, and others
6 like it, involve absolutely no human action by Verizon Wireless; that the \$5 minimum late
7 fee is applied automatically by the billing software; that the only costs to Verizon Wireless
8 reasonably associated with late payments such as these are carrying costs; that such carrying
9 costs are known to (or readily ascertainable by) Verizon Wireless; and that the \$5 minimum
10 late fee drastically exceeds the actual cost to Verizon Wireless in every instance in which it
11 is applied.

12 23. Plaintiff alleges, on information and belief, that the provision of the CA
13 providing for the \$5 minimum late fee is a liquidated damages clause, and not a provision
14 for alternative performance of the CA; that Verizon Wireless does not intend to extend
15 credit to its consumer customers or otherwise allow them to routinely carry forward
16 balances by paying \$5 or 1.5% per month; and that, on the contrary, to enforce its right to
17 timely payment, Verizon Wireless routinely exercises its contractual right to stop service for
18 customers who fail to pay to pay their invoices on time, in which case it charges a
19 substantial "reconnection fee" if the customer elects to reconnect and an "early termination
20 fee" if the customer does not.

21 CLASS ALLEGATIONS

22 24. Plaintiff brings this action on behalf of herself and all other persons in the
23 following similarly situated class: *all California retail consumer customers of Verizon*
24 *Wireless who paid a \$5 minimum late fee.*

25 25. The class is composed of hundreds of thousands of people, whose joinder in
26 this action would be impracticable. The disposition of their claims through this class action
27 will benefit the class members, the parties, and the courts.

28 26. The identities and addresses of the individual members of the class are

1 available through Verizon Wireless's billing records.

2 27. There is a well-defined community of interest in questions of law and fact
3 affecting the class. These questions of law and fact predominate over individual questions
4 affecting individual class members, including, but not limited to, the following:

5 (a) whether the \$5 minimum late fee clause is unlawful, unfair, void, or
6 unenforceable;

7 (b) whether Verizon Wireless should be required to disgorge and/or make
8 restitution to class members of such fees that it has collected;

9 (c) whether Verizon Wireless should be enjoined from enforcing the late
10 fee clause in its existing contracts and/or including similar clauses in future
11 contracts; and

12 (d) whether Verizon Wireless's conduct towards the members of the class
13 violated the Consumers Legal Remedies Act (Civil Code §§1750 *et seq*), the Unfair
14 Competition Law (Bus. & Prof. Code §§17200 *et seq*), and/or other California laws
15 or principles of equity, all as alleged below.

16 28. Absent a class action, Verizon Wireless will retain millions of dollars already
17 received by virtue of its unlawful practices and will continue wrongfully to collect and
18 profit from such charges in the future. Because of the size of the individual class members'
19 claims, no class member could afford to seek legal redress on an individual basis. Absent a
20 class action, the class members will continue to suffer losses, the illegal conduct described
21 herein will continue without remedy, and Verizon Wireless will profit by the retention of the
22 proceeds of its misdeeds. Verizon Wireless continues to this day to engage in the unlawful
23 and unfair conduct that is the subject of this complaint.

24 **FIRST CAUSE OF ACTION**

25 **(Against All Defendants For Breach of Contract**

26 **based on Violation Of California Civil Code §1671)**

27 29. Plaintiff realleges and incorporates herein as if set forth in full each of the
28 allegations of paragraphs 1 through 28, inclusive.

1 30. The contracts between Verizon Wireless, on the one hand, and plaintiff and
2 the plaintiff class, on the other, are consumer contracts, *i.e.*, contracts for the “retail
3 purchase, or rental, by such party of personal property or services, primarily for the party's
4 personal, family, or household purposes.” Civil Code §1671(c)(1).

5 31. Accordingly, the clause by which Verizon Wireless collects the minimum \$5
6 late fee from plaintiffs “is void except that the parties to such a contract may agree therein
7 upon an amount which shall be presumed to be the amount of damage sustained by a breach
8 thereof, when, from the nature of the case, it would be impracticable or extremely difficult
9 to fix the actual damage.” Civil Code §1671(d).

10 32. The \$5 minimum late payment charge which Verizon Wireless includes in its
11 consumer contracts is void under Civil Code §1671(d) because it is neither impracticable
12 nor extremely difficult to ascertain the actual damage, if any, that Verizon Wireless sustains
13 as the result of late payment of invoices by consumer wireless customers; it is contained in a
14 contract of adhesion; and the primary motivation for and effect of the charge is to earn
15 additional profits for, and not to compensate, Verizon Wireless.

16 WHEREFORE, plaintiff prays for judgment and relief as set forth below.

17 **SECOND CAUSE OF ACTION**

18 **(Against All Defendants For Deceptive Practices –**

19 **Consumers Legal Remedies Act, Civil Code §§1750 *et seq*)**

20 33. Plaintiff realleges and incorporates herein as if set forth in full each of the
21 allegations of paragraphs 1 through 32, inclusive.

22 34. The above-described conduct of Verizon Wireless violates the Consumers
23 Legal Remedies Act, Civil Code §§1750 *et seq.* (“CLRA”) by:

24 (a) Representing that a transaction confers or involves rights, remedies, or
25 obligations which it does not have or involve, or which are prohibited by law (Civil
26 Code §1770(a)(14)); and

27 (b) Inserting an unconscionable provision in the contract (Civil Code
28 §1770(a)(19)).

35. Plaintiff has provided Verizon Wireless with notice of its violations and requested a cure. Verizon Wireless has failed to remedy its violations. Instead, Verizon Wireless states it “does not have any plans at this time in changing this policy” (*sic*).

Exhibit C.

36. In doing the things alleged above, Verizon Wireless has violated and, unless enjoined, will continue to violate the CLRA as alleged in the notice.

37. As a proximate result, plaintiff and the class have been damaged in an amount to be proven at trial.

38. Plaintiff is entitled to an award of attorneys' fees, costs and expenses pursuant to Civil Code §1780(d).

WHEREFORE, plaintiff prays for judgment and relief as set forth below.

THIRD CAUSE OF ACTION

(Against All Defendants For Unfair Business Practices –

Bus. & Prof. Code §§ 17200 *et seq.*)

39. Plaintiff realleges and incorporates herein as if set forth in full each of the allegations of paragraphs 1 through 38, inclusive

40. California Business & Professions Code §§ 17200 *et seq* (the Unfair Competition Law – “UCL”) defines unfair competition as any unlawful, unfair or fraudulent business act or practice and unfair, deceptive, untrue or misleading advertising.

41. Verizon Wireless's above-described business practices are unlawful because they violate Civil Code §1671 and constitute deceptive consumer practices prohibited by the CLRA, as alleged above. The practices are deceptive because, among other reasons, Verizon Wireless indicates in the CA that it will abide by California law with respect to the imposition of late fees on persons with a California billing address. The same business practices are also unfair because, among other reasons, they result arbitrarily in disproportionately high late charges to customers with *lower* bills without corresponding expense. For example, as a result of these business practices, Verizon Wireless charges the same \$5 late fee to a customer who pays a \$40 bill five days past the due date as they would

1 charge to a customer who pays a \$300 bill 30 days past the due date, and so forth.

2 42. Plaintiff and the plaintiff class have suffered injury in fact and have lost
3 money and property as a result of paying these excessive and illegal late payment charges.

4 43. Verizon Wireless's wrongful conduct impacts the public interest because it is
5 a pattern of illegal conduct that has been repeated on thousands of occasions and continues
6 to the present.

7 44. Plaintiff, for herself and on behalf of others similarly situated, seeks to enjoin
8 Verizon Wireless's conduct and obtain restitution of all funds obtained by Verizon Wireless
9 by reason of and through the use of these practices within the four years preceding the filing
10 of this Complaint.

11 45. Plaintiff is entitled to an award of attorneys' fees, costs and expenses pursuant
12 to Code of Civil Procedure §1021.5.

13 WHEREFORE, plaintiff prays for judgment and relief as set forth below.

14 **FOURTH CAUSE OF ACTION**

15 **(Against All Defendants For Unjust Enrichment)**

16 46. Plaintiff realleges and incorporates herein as if set forth in full each of the
17 allegations of paragraphs 1 through 32, inclusive.

18 47. Verizon Wireless unjustly received and retained benefits and payments at the
19 expense of plaintiff and the plaintiff class, who are therefore entitled to restitution.

20 WHEREFORE, plaintiff prays for judgment and relief as set forth below.

21 **FIFTH CAUSE OF ACTION**

22 **(Against All Defendants For Declaratory Relief)**

23 48. Plaintiff realleges and incorporates herein as if set forth in full each of the
24 allegations of paragraphs 1 through 32, inclusive.

25 49. A real and present controversy exists between Verizon Wireless, on the one
26 hand, and the plaintiff and plaintiff class, on the other, as to whether the \$5 minimum late
27 payment charge included in Verizon Wireless's contracts is legal and enforceable. Verizon
28 Wireless contends that it is. Plaintiff and the plaintiff class contend that it is not.

1 WHEREFORE, plaintiff prays for judgment and relief as set forth below.

2 **PRAYER FOR RELIEF**

3 Plaintiff prays for relief and a judgment against defendants, as follows:

4 A. An order certifying the Plaintiff Class, appointing named plaintiff Catherine
5 Gellis as representative of the Class, and appointing the law firms representing plaintiff as
6 counsel for the Class;

7 B. Restitution of all monies acquired by Verizon Wireless during the last four
8 years as a result of its unlawful practices described above;

9 C. Imposition of a constructive trust upon all assets Verizon Wireless has
10 acquired from the Class as a result of these unlawful late fees (Civil Code §2224);

11 D. Economic damages according to proof;

12 E. A declaration that the \$5 minimum late fee is unlawful, unfair, void, and
13 unenforceable under Civil Code §1671 and that imposition of the fee is a deceptive practice
14 under Civil Code §1770(a);

15 F. The issuance of injunctive orders enjoining Verizon Wireless from including
16 this provision in future contracts or enforcing it in current or future contracts;

17 G. Payment of costs of suit herein incurred;

18 H. Pre- and post-judgment interest on amounts awarded;

19 I. Attorneys' fees, costs and expenses pursuant to Code of Civil Procedure
20 §1021.5, the CLRA, and any other applicable authority; and

21 J. For such other and further relief as the Court may deem proper.

22
23 Dated: August 24, 2007

CHAVEZ & GERTLER LLP
BRAYTON PURCELL LLP

24
25
26 By: 

Peter B. Fredman
Attorneys for Plaintiff

DEMAND FOR JURY TRIAL

Plaintiff hereby demands a trial by jury on all claims so triable.

Dated: August 26, 2007

CHAVEZ & GERTLER LLP
BRAYTON PURCELL LLP


By: 
Peter B. Fredman
Attorneys for Plaintiff

EXHIBIT A

VERIZON WIRELESS
125 CORTE MADERA TOWN CTR
Corte Madera, CA 94925-1209
(415) 924-9084

Order Location: 08934 01 #175233
Order Type: PS
Receive Location: 08934 01 Register: 03
09/21/2006 15:31 PT LAUNIGE - ECZ57

=====

Calling Plan:
AMERICA'S CHOICE II 450 ANY UNLIM N&W -
UNLIM IN CALLING \$39.99 2Y 0705

Effective Date: 09/21/2006

Contract End Date: 09/21/2008
Static IP Address:

Included Features:
MESSAGE WAITING INDICATOR
CALLER ID
BUSY TRANSFER
3-WAY CALLING
CALL DELIVERY
CALL WAITING
NO ANSWER TRANSFER
CALL FORWARDING
TXT MSG W PER MSG CHARGES
BASIC VOICE MAIL - \$0

Selected Features:
PDA/SMRT BRBND PAYU-\$0
NEW EVERY TWO MULTI TIER
NATIONAL ACCESS ROAMING
IN CALLING NATL UNLIM - \$0
PIX & FLIX PAY PER MSG - \$0
INTL DIALING ALLOWED

Insurance:
DECLINE INSURANCE - \$0

Promotions:
UNLIMITED NIGHT & WEEKEND MINS

The addition of certain newly-added

features or optional services will be effective as of today, and not as of the effective date of your new calling plan.

Mtn: (408) 656-2979
Esn: 05403533467

Items :
WAR6002 1 YR. MFG. WARRANTY

Items received:
CUSTOMER INFO OVERVIEW /
CUSTOMER AGREEMENT
RETURN/EXCHANGE POLICY
CALLING PLAN BROCHURE
TERMS AND CONDITIONS FOR SELECTED FEATURES
GETTING STARTED CHECKLIST

=====

Taxes & surcharges apply & may vary.
Federal Universal Service Charge of
2.31% (varies quarterly based on FCC
rate) and a \$.05 Regulatory Charge and
\$.40 Administrative Charge per
line/month are our charges, not taxes.

**** A G R E E M E N T ****

I understand that if I am porting in my phone number from another service provider, I may owe that provider an early termination fee and other charges, and I understand that, during the porting process, the ability for me to receive calls, including return calls from 911 personnel, will not be available.

I AGREE TO THE CURRENT VERIZON WIRELESS CUSTOMER AGREEMENT (CA), INCLUDING THE CALLING PLAN, (WITH EXTENDED LIMITED WARRANTY/SERVICE CONTRACT, IF APPLICABLE), AND OTHER TERMS AND CONDITIONS FOR SERVICES AND SELECTED FEATURES I HAVE AGREED TO PURCHASE AS REFLECTED ON THE RECEIPT, AND WHICH HAVE BEEN PRESENTED TO ME BY THE SALES REP. AND WHICH I HAD THE OPPORTUNITY TO REVIEW. I UNDERSTAND THAT

C. Gellis

I AM AGREEING TO A \$175 EARLY
TERMINATION FEE, LIMITATIONS OF
LIABILITY FOR SERVICE AND EQUIPMENT,
SETTLEMENT OF DISPUTES BY ARBITRATION
AND OTHER MEANS INSTEAD OF JURY TRIALS
AND OTHER IMPORTANT TERMS IN THE CA.

Account Holder Signature:

CATHERINE GELLIS

Contract Acceptance Date: 09/21/2006

Thank You

EXHIBIT B

Verizon Wireless Customer Agreement Terms & Conditions

Please read carefully
and file in a safe place.

YOUR VERIZON WIRELESS CUSTOMER AGREEMENT

We're Verizon Wireless. Please carefully read this agreement, including the Calling Plan or plans you've chosen, before filing it in a safe place.

(Para una copia de este documento en español, llame al 1.800.922.0204 o visite a nuestro website a www.espanol.vzwshop.com.)

By accepting this agreement, you're bound by its conditions. It covers important topics such as how long it lasts, fees for early termination and late payments, our rights to change its conditions and your wireless service, limitations of liability, privacy, and settlement of disputes by arbitration instead of in court. If you accept this agreement, it will apply to all your wireless service from us, including all your existing Calling Plans and other lines in service.

Your Calling Plans

YOUR CALLING PLANS BECOME PART OF THIS AGREEMENT. The prices you pay may depend in part on how long—the minimum term—you're agreeing in advance to do business with us. Calling Plans describe these prices and your minimum term. To the extent any condition in your Calling Plan expressly conflicts with this agreement, the condition in your Calling Plan will govern. If at any time you change your service (by accepting a promotion, for example), you'll be subject to any requirements, such as a new minimum term, we set for that change.



Your Rights To Refuse Or Cancel This Agreement

THIS AGREEMENT STARTS WHEN YOU ACCEPT. Paragraphs marked "∞" continue after it ends. You accept when you do any of the following things after an opportunity to review this agreement:

- *Give us a written or electronic signature;*
- *Tell us orally or electronically that you accept;*
- *Activate your service through your wireless phone;*
- *Open a package that says you are accepting by opening it; or*
- *Use your service after making any change or addition when we've told you that the change or addition requires acceptance.*

IF YOU DON'T WANT TO ACCEPT, DON'T DO ANY OF THESE THINGS. You can cancel (if you're a new customer) or go back to the conditions of your former Customer Agreement (if you're already a customer) without additional fees if you tell us (and return to us in good condition any wireless phone you got from us with your new service) **WITHIN 15 DAYS** of accepting. You'll still be responsible through that date for the new service and any charges associated with it.

Your Rights To Change Or End Your Service; Termination Fees; Phone Number Portability

∞ Except as explicitly permitted by this agreement, you're agreeing to maintain service with us for your minimum term. (Periods of suspension of service don't count towards your minimum term.) After that, you'll become a month-to-month customer under this agreement. **AN EARLY TERMINATION FEE WILL APPLY IF YOU CHOOSE TO END YOUR SERVICE BEFORE BECOMING A MONTH-TO-MONTH CUSTOMER, OR IF WE TERMINATE IT EARLY FOR GOOD CAUSE. FOR SERVICE ACTIVATED PRIOR TO NOVEMBER 16, 2006, THE EARLY TERMINATION FEE IS \$175 PER WIRELESS PHONE NUMBER. FOR SERVICE ACTIVATED ON OR AFTER NOVEMBER 16, 2006, OR FOR LINES OF SERVICE WITH MINIMUM TERMS EXTENDED ON OR AFTER NOVEMBER 16, 2006, THE EARLY TERMINATION FEE IS \$175, WHICH WILL BE REDUCED BY \$5 FOR EACH FULL MONTH TOWARD YOUR MINIMUM TERM THAT YOU COMPLETE.** (The Early Termination Fee applies only to the extent permitted by law. If you buy your wireless phone from an agent or third-party vendor, you should check to see if they charge a separate termination fee.) If you terminate your service as of the end of your minimum term, you won't be responsible for any remaining part of your monthly billing cycle. **Otherwise, all terminations by you during a monthly billing cycle become effective on the last day of that billing cycle.** You'll remain responsible for all fees and charges incurred until then and won't be entitled to any partial month credits or refunds. You may be able to take, or "port," your current wireless phone number to another service provider. If you request your new service provider to port a number from us, and we receive your request from that new service provider, we'll treat it as notice

from you to terminate our service for that number upon successful completion of porting. After the porting is completed, you won't be able to use our service for that number. You'll remain responsible for any early termination fee, and for all fees and charges through the end of that billing cycle, just like any other termination. If you're porting a phone number to us from another company, we may not be able to provide you some services, such as 911 location services, immediately.

Our Rights To Make Changes

Your service is subject to our business policies, practices, and procedures, which we can change without notice. UNLESS OTHERWISE PROHIBITED BY LAW, WE CAN ALSO CHANGE PRICES AND ANY OTHER CONDITIONS IN THIS AGREEMENT AT ANY TIME BY SENDING YOU WRITTEN NOTICE PRIOR TO THE BILLING PERIOD IN WHICH THE CHANGES WOULD GO INTO EFFECT. IF YOU CHOOSE TO USE YOUR SERVICE AFTER THAT POINT, YOU'RE ACCEPTING THE CHANGES. IF THE CHANGES HAVE A MATERIAL ADVERSE EFFECT ON YOU, HOWEVER, YOU CAN END THE AFFECTED SERVICE, WITHOUT ANY EARLY TERMINATION FEE, JUST BY CALLING US WITHIN 60 DAYS AFTER WE SEND NOTICE OF THE CHANGE.

Your Wireless Phone

Your wireless phone is any device you use to receive our wireless voice or data service. It must comply with Federal Communications Commission regulations and be compatible with our network and your Calling Plan. Whether you buy your wireless phone from us or someone else is entirely your choice. At times we may change your wireless phone's software, applications or programming remotely and without notice. This could affect data you've stored on, the way you've programmed, or the way you use, your wireless phone. Your wireless phone may also contain software that prevents it from being used with any other company's wireless service, even if it's no longer used to receive our service.

Your Wireless Phone Number And Caller ID

You don't have any rights in any personal identification number, email address, or identifier we assign you. (We'll tell you if we decide to change or reassign them.) The same is true of your wireless phone number, except for any right you may have to port it. Your wireless phone number and name may show up when you call someone. You can block this "Caller ID" for most calls by dialing *67 before each call, or by ordering per-line call blocking (dialing *82 to unblock) where it's available. You can't block Caller ID to some numbers, such as toll-free numbers.

How Service Works

Wireless phones use radio transmissions, so we can't provide service when your wireless phone isn't in range of one of our transmission sites, or a transmission site of another company that's agreed to carry our customers' calls, or if there isn't sufficient network capacity available at that moment. There are places, particularly in remote areas, with no service at all. Weather, topography, buildings, your wireless phone, and other conditions we don't control may also cause dropped calls or other problems.

Charges And Fees We Set.

∞ You agree to pay all access, usage, and other charges and fees we bill you or that the user of your wireless phone accepted, even if you weren't the user of your wireless phone and didn't authorize its use. These include Federal Universal Service, Regulatory and Administrative Charges, and may also include other charges related to our governmental costs. We set these charges. They aren't taxes, aren't required by law, are kept by us in whole or in part, and the amounts and what's included are subject to change. You may have to pay fees to begin service or reconnect suspended service. Usage charges may vary depending on where, when, and how you call. You have a Home Rate and Coverage Area and a Local Calling Area (which may be different). When you call from inside a Local Calling Area to somewhere outside of it, or call from anywhere outside a Local Calling Area, there may be toll, regional calling, or long distance charges in addition to airtime. (We provide or select the long distance service for calls on our network.) When you make a call inside your Local Calling Area that uses a local phone company's lines (for example, a call to a typical home phone number), we may charge landline or connection fees. We charge airtime for most calls, including toll-free and operator-assisted calls. Additional features and services such as operator or directory assistance, call dialing, calling card use, Call Forwarding, data calls, automatic call delivery, voice mail, text messaging, and wireless Internet access, may have additional charges. Features such as Call Waiting, Call Forwarding, or 3-Way Calling involve multiple calls and multiple charges.

Taxes, Fees, And Surcharges We Don't Set

∞ You agree to pay all taxes, fees, and surcharges set by the government. We may not always give advance notice of changes to these items. If you're tax-exempt you must give us your exemption certificates and pay for any filings we make.

Roaming And Roaming Charges

You're "roaming" whenever you make or receive a call using a transmission site outside your home rate and coverage area, or using another company's transmission site. Your wireless phone may sometimes connect to and roam on another company's network even when you're within your home rate and coverage area or local calling area. There may be extra charges (including charges for long distance, tolls, or calls that don't connect) and higher rates for roaming calls, depending on your Calling Plan.

Your Bill

∞ Your bill is our notice to you of your fees, charges and other important information. You should read everything in your bill. We bill usage charges after calls are made or received. We bill access fees and some other charges in advance. You can view your detailed bill online. We'll also send you a streamlined bill without call detail (or a detailed bill if you request one, subject to any applicable fee). We may charge a fee for bill reprints. If you choose Internet billing (where available), you waive any right to paper bills or notices.

How We Calculate Your Bill

Your bill reflects the fees and charges in effect under your Calling Plan at the time they're incurred. You can dispute your bill, but only within 180 days of receiving

it. Unless otherwise provided by state law, you must still pay any disputed charges until the dispute is resolved. Charges may vary depending on where your wireless phone is when a call starts. If a charge depends on an amount of time used, we'll round up any fraction of a minute to the next full minute. Time starts when you first press **SEND** or the call connects to a network on outgoing calls, and when the call connects to a network (which may be before it rings) on incoming calls. Time may end several seconds after you press **END** or the call otherwise disconnects. For calls made on our network, we only bill for calls that connect (which includes calls answered by machines). Most calls you make or receive during a billing cycle are included in your bill for that cycle. Billing for airtime (including roaming) and related charges may, however, sometimes be delayed. Delayed airtime will be applied against the included airtime for the month when you actually made or received the call, even though such charges may show up on a later bill. This may result in charges higher than you'd expect in the later month.

Your Rights For Dropped Calls Or Interrupted Service

If you get disconnected by our network from a call in your home rate and coverage area, redial. If the same number answers within 5 minutes, call us within 90 days and we'll give you a 1-minute airtime credit. If service is interrupted in your home rate and coverage area for more than 24 hours in a row due to our fault, call us within 180 days and we'll give you a credit for the period of interruption. These are your only rights for dropped calls or interrupted service.

Payments, Deposits, Credit Cards, And Checks

∞ Payment is due in full as stated on your bill. IF WE DON'T RECEIVE PAYMENT IN FULL WHEN DUE, WE MAY, TO THE EXTENT PERMITTED BY THE LAW OF THE STATE OF THE BILLING ADDRESS WE HAVE ON FILE FOR YOU AT THE TIME, CHARGE YOU A LATE FEE OF UP TO 1.5 PERCENT A MONTH (18 PERCENT ANNUALLY), OR A FLAT \$5 A MONTH, WHICHEVER IS GREATER, ON UNPAID BALANCES. (IF YOU CHOOSE TO BE BILLED BY ANOTHER PARTY FOR OUR SERVICE [SUCH AS THROUGH A BILLING ARRANGEMENT WITH VERIZON COMMUNICATIONS], LATE FEES WILL BE AT THE RATE SET FORTH IN SUCH PARTY'S TARIFFS OR THE TERMS OF SUCH ARRANGEMENT, WHICH MAY BE GREATER THAN OUR LATE-FEE RATE). WE MAY, TO THE EXTENT PERMITTED BY THE LAW OF THE STATE OF THE BILLING ADDRESS WE HAVE ON FILE FOR YOU AT THE TIME YOUR ACCOUNT IS FIRST SENT TO A COLLECTION AGENCY, ALSO CHARGE FOR ANY COLLECTION AGENCY FEES BILLED TO US FOR COLLECTING FROM YOU. We may require an advance deposit (or an increased deposit) from you. We'll pay simple interest on any deposit at the rate the law requires. Please retain your evidence of deposit. You agree that we can apply deposits, payments, or prepayments in any order to any amounts you owe us on any account. You can't use a deposit to pay any bill unless we agree. We refund final credit balances of less than \$1 only upon request. We won't honor limiting notations you make on or with your checks. We may charge you up to \$25 for any returned check, depending on applicable law.

If Someone Steals Your Wireless Phone

If someone steals your wireless phone, notify us. If we haven't given you a courtesy suspension of service and monthly fees within the prior year, we'll give you one for 30 days, or until you replace or recover your wireless phone, whichever comes first. Until we grant any suspension, you may be responsible for all fees and charges. You'll need to provide us with a sworn statement about the theft if we ask for one.

Our Rights To Limit Or End Service Or This Agreement

You agree not to resell our service to someone else without our prior written permission. You also agree your wireless phone won't be used for any other purpose that isn't allowed by this agreement or that's illegal. You agree that you won't install, deploy, or use any regeneration equipment or similar mechanism (for example, a repeater) to originate, amplify, enhance, retransmit or regenerate a transmitted RF signal. **WE CAN, WITHOUT NOTICE, LIMIT, SUSPEND, OR END YOUR SERVICE OR ANY AGREEMENT WITH YOU FOR THIS OR ANY OTHER GOOD CAUSE**, including, but not limited to: (a) paying late more than once in any 12 months; (b) incurring charges larger than a required deposit or billing limit (even if we haven't yet billed the charges); (c) harassing our employees or agents; (d) lying to us; (e) interfering with our operations; (f) becoming insolvent or going bankrupt; (g) breaching this agreement; (h) "spamming," or other abusive messaging or calling; (i) modifying your wireless phone from its manufacturer's specifications; (j) providing credit information we can't verify; (k) using your service in a way that adversely affects our network or other customers; or (l) allowing anyone to tamper with your wireless phone number. We can also temporarily limit your service for any operational or governmental reason.

Directory Information

∞ We don't publish directories of our customers' phone numbers. We don't provide them to third parties for listing in directories, either.

Your Privacy

∞ We have a duty under federal law to protect the confidentiality of information about the quantity, technical configuration, type, destination, and amount of your use of our service, together with similar information on your bills. (This doesn't include your name, address, and wireless phone number.) Except as provided in this agreement, we won't intentionally share personal information about you without your permission. We may use and share information about you: (a) so we can provide our goods or services; (b) so others can provide goods or services to us, or to you on our behalf; (c) so we or our affiliates can communicate with you about goods or services related to the ones you already receive (although you can call us any time if you don't want us to do this); (d) to protect ourselves; or (e) as required by law, legal process, or exigent circumstances. In addition, you've authorized us to investigate your credit history at any time and to share credit information about you with credit reporting agencies. If you ask, we'll tell you the name and address of any credit agency that gives us a credit report about you. It's illegal for unauthorized people to intercept your calls, but such interceptions can occur. For training or quality assurance, we may also monitor or record our calls with you.

Disclaimer Of Warranties

∞ WE MAKE NO REPRESENTATIONS OR WARRANTIES, EXPRESS OR IMPLIED, INCLUDING, TO THE EXTENT PERMITTED BY APPLICABLE LAW, ANY IMPLIED WARRANTY OF MERCHANTABILITY OR FITNESS FOR A PARTICULAR PURPOSE CONCERNING YOUR SERVICE OR YOUR WIRELESS PHONE. WE CAN'T PROMISE UNINTERRUPTED OR ERROR-FREE SERVICE AND DON'T AUTHORIZE ANYONE TO MAKE ANY WARRANTIES ON OUR BEHALF. THIS DOESN'T DEPRIVE YOU OF ANY WARRANTY RIGHTS YOU MAY HAVE AGAINST ANYONE ELSE.

Waivers And Limitations Of Liability

∞ UNLESS THE LAW FORBIDS IT IN ANY PARTICULAR CASE, WE EACH AGREE TO LIMIT CLAIMS FOR DAMAGES OR OTHER MONETARY RELIEF AGAINST EACH OTHER TO DIRECT DAMAGES. THIS LIMITATION AND WAIVER WILL APPLY REGARDLESS OF THE THEORY OF LIABILITY, WHETHER FRAUD, MISREPRESENTATION, BREACH OF CONTRACT, PERSONAL INJURY, PRODUCTS LIABILITY, OR ANY OTHER THEORY. THIS MEANS THAT NEITHER OF US WILL SEEK ANY INDIRECT, SPECIAL, CONSEQUENTIAL, TREBLE, OR PUNITIVE DAMAGES FROM THE OTHER. You agree we aren't liable for problems caused by you or a third party; by buildings, hills, network congestion, tunnels, weather, or other things we don't control; or by any act of God. You also agree we aren't liable for missed voice mails, or deletions of voice mails from your voice mailbox (if you have one), even if you've saved them. If another wireless carrier is involved in any problem (for example, while you roam), you also agree to any limitations of liability in its favor that it imposes.

Dispute Resolution And Mandatory Arbitration

∞ WE EACH AGREE TO SETTLE DISPUTES (EXCEPT CERTAIN SMALL CLAIMS) ONLY BY ARBITRATION. THERE'S NO JUDGE OR JURY IN ARBITRATION, AND REVIEW IS LIMITED, BUT AN ARBITRATOR CAN AWARD THE SAME DAMAGES AND RELIEF, AND MUST HONOR THE SAME LIMITATIONS IN THIS AGREEMENT, AS A COURT WOULD. IF AN APPLICABLE STATUTE PROVIDES FOR AN AWARD OF ATTORNEY'S FEES, AN ARBITRATOR CAN AWARD THEM TOO. WE ALSO EACH AGREE, TO THE FULLEST EXTENT PERMITTED BY LAW, THAT:

(1) THE FEDERAL ARBITRATION ACT APPLIES TO THIS AGREEMENT. EXCEPT FOR QUALIFYING SMALL CLAIMS COURT CASES, ANY CONTROVERSY OR CLAIM ARISING OUT OF OR RELATING TO THIS AGREEMENT, OR ANY PRIOR AGREEMENT FOR WIRELESS SERVICE WITH US OR ANY OF OUR AFFILIATES OR PREDECESSORS IN INTEREST, OR ANY PRODUCT OR SERVICE PROVIDED UNDER OR IN CONNECTION WITH THIS AGREEMENT OR SUCH A PRIOR AGREEMENT, OR ANY ADVERTISING FOR SUCH PRODUCTS OR SERVICES, WILL BE SETTLED BY ONE OR MORE NEUTRAL ARBITRATORS BEFORE THE AMERICAN ARBITRATION ASSOCIATION

("AAA") OR BETTER BUSINESS BUREAU ("BBB"). YOU CAN ALSO BRING ANY ISSUES YOU MAY HAVE TO THE ATTENTION OF FEDERAL, STATE, OR LOCAL GOVERNMENT AGENCIES AND THEY CAN, IF THE LAW ALLOWS, SEEK RELIEF AGAINST US ON YOUR BEHALF.

(2) FOR CLAIMS OVER \$10,000, THE AAA'S WIRELESS INDUSTRY ARBITRATION ("WIA") RULES WILL APPLY. FOR CLAIMS OF \$10,000 OR LESS, THE COMPLAINING PARTY CAN CHOOSE EITHER THE AAA'S SUPPLEMENTARY PROCEDURES FOR CONSUMER-RELATED DISPUTES, AN INDIVIDUAL ACTION IN SMALL CLAIMS COURT, OR THE BBB'S RULES FOR BINDING ARBITRATION. EACH OF US MAY BE REQUIRED TO EXCHANGE RELEVANT EVIDENCE IN ADVANCE. IN LARGE/COMPLEX CASES UNDER THE WIA RULES, THE ARBITRATORS MUST APPLY THE FEDERAL RULES OF EVIDENCE AND THE LOSER MAY HAVE THE AWARD REVIEWED BY A PANEL OF THREE NEW ARBITRATORS.

(3) YOU CAN OBTAIN PROCEDURES, RULES, AND FEE INFORMATION FROM THE AAA (WWW.ADR.ORG), THE BBB (WWW.BBB.ORG), OR FROM US. **THIS AGREEMENT DOESN'T PERMIT CLASS ARBITRATIONS EVEN IF THOSE PROCEDURES OR RULES WOULD.** IN EXCHANGE FOR YOUR AGREEMENT TO ARBITRATE ON AN INDIVIDUAL BASIS, WE'RE PROVIDING YOU A FREE INTERNAL MEDIATION PROGRAM. MEDIATION IS A PROCESS FOR MUTUALLY RESOLVING DISPUTES. A MEDIATOR CAN HELP PARTIES REACH AGREEMENT, BUT DOESN'T DECIDE THEIR ISSUES. IN OUR MEDIATION PROGRAM, WE'LL ASSIGN SOMEONE (WHO MAY BE FROM OUR COMPANY) NOT DIRECTLY INVOLVED IN THE DISPUTE TO MEDIATE. THAT PERSON WILL HAVE ALL THE RIGHTS AND PROTECTIONS OF A MEDIATOR. NOTHING SAID IN THE MEDIATION CAN BE USED IN A LATER ARBITRATION OR LAWSUIT. CONTACT US AT WWW.VERIZONWIRELESS.COM OR THROUGH CUSTOMER SERVICE TO FIND OUT MORE.

(4) IF YOU REQUEST MEDIATION UNDER OUR PROGRAM, PARTICIPATE IN GOOD FAITH IN AT LEAST ONE TELEPHONIC MEDIATION SESSION, AND THE MEDIATION DOESN'T RESOLVE THE DISPUTES BETWEEN US, WE'LL PAY ANY FILING FEE LATER CHARGED YOU BY THE AAA OR BBB FOR ONE ARBITRATION OF THOSE DISPUTES. IF THAT ARBITRATION PROCEEDS, WE'LL ALSO PAY ANY FURTHER ADMINISTRATIVE AND ARBITRATOR FEES LATER CHARGED FOR IT AND (IF THE ARBITRATION AWARD IS APPEALABLE UNDER THIS AGREEMENT) ANY APPEAL TO A NEW THREE ARBITRATOR PANEL. WE MAY MAKE YOU A WRITTEN OFFER OF SETTLEMENT ANY TIME BEFORE ARBITRATION BEGINS. IF WE DO AND YOU DON'T RECOVER IN ARBITRATION MORE THAN 75% OF THE OFFERED AMOUNT, YOU AGREE TO REPAY US THE LESSER OF ANY FEES WE ADVANCED OR WHAT YOU WOULD HAVE PAID IN FEES AND COSTS IN COURT UNDER SIMILAR CIRCUMSTANCES.

(5) ANY ARBITRATION AWARD MADE AFTER COMPLETION OF AN ARBITRATION IS FINAL AND BINDING AND MAY BE CONFIRMED IN ANY COURT OF COMPETENT JURISDICTION. AN AWARD AND ANY JUDGMENT CONFIRMING IT ONLY APPLIES TO THE ARBITRATION IN WHICH IT WAS AWARDED AND CAN'T BE USED IN ANY OTHER CASE EXCEPT TO ENFORCE THE AWARD ITSELF.

(6) IF FOR SOME REASON THE PROHIBITION ON CLASS ARBITRATIONS SET FORTH IN SUBSECTION (3) ABOVE IS DEEMED UNENFORCEABLE, THEN THE AGREEMENT TO ARBITRATE WILL NOT APPLY. FURTHER, IF FOR ANY REASON A CLAIM PROCEEDS IN COURT RATHER THAN THROUGH ARBITRATION, WE EACH WAIVE ANY TRIAL BY JURY.

About You

∞ You represent that you're at least 18 years old and have the legal capacity to accept this agreement. If you're ordering for a company, you're representing that you're authorized to bind it, and where the context requires, "you" means the company.

About This Agreement

∞ A waiver of any part of this agreement in one instance isn't a waiver of any other part or any other instance. You can't assign this agreement or any of your rights or duties under it. We may assign all or part of this agreement or your debts to us without notice, and you agree to make all subsequent payments as instructed. NOTICES ARE CONSIDERED DELIVERED WHEN WE SEND THEM BY EMAIL OR FAX TO ANY EMAIL OR FAX NUMBER YOU'VE PROVIDED TO US, OR 3 DAYS AFTER MAILING TO THE MOST CURRENT BILLING ADDRESS WE HAVE ON FILE FOR YOU, IF BY US, OR TO THE CUSTOMER SERVICE ADDRESS ON YOUR MOST RECENT BILL, IF BY YOU. If any part of this agreement, including any part of its arbitration provisions, is held invalid, that part may be severed from this agreement. This agreement and the documents to which it refers form the entire agreement between us on their subjects. You can't rely on any other documents or statements on those subjects by any sales or service representatives, and you have no other rights with respect to service or this agreement, except as specifically provided by law. This agreement isn't for the benefit of any third party except our parents, affiliates, subsidiaries, agents, and predecessors and successors in interest. Except to the extent we've agreed otherwise in the provisions on late fees, collection costs and arbitration, this agreement and disputes covered by it are governed by the laws of the state encompassing the area code assigned to your wireless phone number when you accepted this agreement, without regard to the conflicts of laws and rules of that state.

EXHIBIT C



March 21, 2007

Verizon Wireless
15900 SE Eastgate Way
PO Box 96082
Bellevue, WA 98009-9682

Peter Fredman, ESP.
Brayton Purcell
222 Rush Landing Road
Novato CA 94948

Re: Account Number: 0870162630-00002
Re: Wireless Number: 408-656-2979

Dear Catherine R Gellis,

This letter is to confirm receipt of your correspondence to Verizon Wireless. Thank you for taking the time to write us concerning your account.

On behalf of Verizon Wireless, I apologize about any frustration you have had in regards to our Terms and conditions. Enclosed in this letter is a copy of your signed contract for the above-mentioned number and your customer agreement. By signing the contract for the above-mentioned number you agreed to the current Verizon Wireless Customer Agreement.

Within your customer agreement please note the category for 'Payments, Deposits, Credit Cards, and Checks'. This section specifically states, "Payment is due in full as stated on your bill. If we don't receive payment in full when due, we may, to the extent permitted by the law of the state of the billing address we have on file for you at the time, charge you a late fee of up to 1.5 percent a month (18 percent annually) or a flat \$5 a month, whichever is greater, on unpaid balances." Verizon Wireless does not have any plans at this time in changing this policy.

Our records indicate that we received your payment for \$268.49 on January 17, 2007. You were charged a \$5 late fee because we received your payment for the December 13th, 2006 bill after the bills specified due date of January 8, 2007.

Please feel free to contact our Customer Service Department at 1-800-922-0204 or *611 from your wireless phone or visit us at verizonwireless.com if you need further assistance. We are open from 6 am to 11 pm, 7 days a week to assist you. We appreciate your business and we hope to be able to serve you again in the future.

Sincerely,

Gibran
Verizon Wireless
Customer Care

verizonwireless

Verizon Wireless
P.O. Box 96082
Bellevue, WA 98009-9682

Peter Fredman, ESP.
Brayton Purcell
222 Rush Landing Road
Novato CA 94948

949.454.2453-222 COAS

